

HOUSE BILL NO. 625

INTRODUCED BY J. MUSGROVE, FRITZ, GALVIN-HALCRO, MASOLO, OLSON, RIPLEY, WOLERY

A BILL FOR AN ACT ENTITLED: "AN ACT ~~CREATING AN INTERIM COMMITTEE TO STUDY THE~~
~~ADEQUACY AND EQUITY OF PROGRAMS, SERVICES, AND FUNDING FOR K-12 PUBLIC SCHOOLS IN~~
~~MONTANA;~~ REQUIRING THE GOVERNOR AND THE SUPERINTENDENT OF PUBLIC INSTRUCTION TO
CONDUCT A STUDY OF K-12 PUBLIC SCHOOL FUNDING AND RELATED ISSUES; ~~CRITERION-BASED~~
~~TESTING, AND TERRITORY TRANSFERS BETWEEN DISTRICTS;~~ ESTABLISHING A LEGISLATIVE SELECT
COMMITTEE ON PUBLIC SCHOOL FUNDING; REQUIRING THE GOVERNOR TO PREPARE AND SUBMIT A
PRELIMINARY AND FINAL STUDY REPORT TO THE SELECT EDUCATION INTERIM COMMITTEE AND, IF
APPROPRIATE, PROPOSE LEGISLATION FOR THE 2003 LEGISLATURE; AUTHORIZING RECEIPT OF
DONATIONS; ~~PROVIDING AN APPROPRIATION;~~ PROVIDING APPROPRIATIONS; AND PROVIDING AN
IMMEDIATE EFFECTIVE DATE."

~~WHEREAS, MONTANA'S K-12 PUBLIC SCHOOLS ARE AMONG THE BEST IN THE NATION, DESPITE THE FACT THAT~~
~~FUNDING OF K-12 PUBLIC SCHOOLS IS BECOMING INCREASINGLY CHALLENGING; AND~~

~~WHEREAS, SIGNIFICANT TECHNOLOGICAL INNOVATIONS IN EDUCATIONAL MATERIALS AND TEACHING METHODS~~
~~ARE BEING DEVELOPED AND IMPROVED; AND~~

~~WHEREAS, PUBLIC SCHOOLS ARE INCREASINGLY FACING DEMANDS FOR, AND COMPETITION FROM, ELECTRONIC~~
~~DELIVERY OF EDUCATION; AND~~

~~WHEREAS, SOME EXISTING PROBLEMS FACING EDUCATORS COULD BE REMEDIED THROUGH MORE FLEXIBLE~~
~~DELIVERY OF EDUCATIONAL PROGRAMMING THROUGH ELECTRONIC MEANS; AND~~

~~WHEREAS, SOME HOME-SCHOOLED STUDENTS COULD ENHANCE THE QUALITY OF THEIR EDUCATION THROUGH~~
~~ELECTRONIC DELIVERY OF EDUCATIONAL PROGRAMMING AND THROUGH LIMITED PARTICIPATION IN PUBLIC K-12 SCHOOL~~
~~CURRICULA;~~

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

(Refer to Introduced Bill)

Strike everything after the enacting clause and insert:

1 NEW SECTION. Section 1. K-12 public school funding study --~~district territorial transfers~~
2 ~~criteria-based testing~~ -- duties -- HEARINGS. (1) The governor and the superintendent of public instruction

3 shall, within the provisions of the Montana constitution ~~as interpreted by the Montana supreme court~~,
4 conduct a study of funding for K-12 public schools, including but not limited to:

5 (a) analyzing the factors currently in law that are used to compute budget authority for schools
6 to determine if additional factors or changes in those factors are necessary to equitably provide budget
7 authority to public schools;

8 (B) DETERMINING THE APPROPRIATE ALLOCATION OF FUNDING TO ADEQUATELY FUND ELEMENTARY, MIDDLE
9 SCHOOL, SEVENTH AND EIGHTH GRADE, AND HIGH SCHOOL PROGRAMS;

10 ~~(b)~~(c) determining if a statewide salary schedule for school staff is possible under the
11 constitutional provision for trustee management of school districts;

12 ~~(c)~~(d) determining if the current budget computations are prohibiting or discouraging local decisions
13 to consolidate school districts;

14 ~~(d)~~(e) determining the adequacy and equity of the current statutory authority for public schools
15 to access the funds necessary to provide facilities for school districts and state support for school facility
16 costs;

17 ~~(e)~~(f) determining the adequacy and equity of current funding for pupil transportation;

18 ~~(f)~~(g) determining if appropriate disparity exists in the current local tax effort necessary to fund
19 school districts;

20 ~~(g)~~(h) analyzing the current allocation of state funds to public schools to determine its equity;

21 ~~(h)~~(i) ANALYZING THE RELATIONSHIP BETWEEN INCREASING STAFFING LEVELS IN THE CLASSROOM IN THE FACE
22 OF DECLINING ENROLLMENT AND THE RESULTING FINANCIAL IMPACTS TO SCHOOL DISTRICTS AND THE STATE;

23 ~~(i) ANALYZING THE FINANCIAL IMPACTS TO TEACHER SALARIES, IN COMPARISON TO OTHER STATES, FROM THE~~
24 ~~DECLINING CLASSROOM SIZES THAT HAVE BEEN IMPOSED ON K-12 SCHOOLS IN RECENT YEARS, INCLUDING WHAT THE~~
25 ~~IMPACTS WOULD BE IF THE MONTANA STUDENT-TEACHER RATIOS HAD REMAINED AT THE 1995 LEVELS;~~

26 ~~(j) ANALYZING THE EDUCATIONAL AND FINANCIAL IMPLICATIONS THAT IMPROVED TECHNOLOGY CAN HAVE FOR~~
27 ~~SCHOOL FUNDING AND STRUCTURE IN THE FUTURE AND THE ROLE THAT DISTANCE LEARNING CAN PLAY IN THIS STRUCTURE~~
28 ~~TO THE BENEFIT OF BOTH STUDENT EDUCATION AND SCHOOL DISTRICT BUDGETS;~~

29 ~~(k)~~(j) ANALYZING APPROPRIATE MEANS FOR SCHOOL DISTRICTS TO CALCULATE ANB REGARDING
30 NONTRADITIONAL, PART-TIME, OR DISTANCE-LEARNING STUDENTS;

~~(h)(l)(k)~~ determining if issues not listed in this section are affecting the equity of school funding in Montana and analyzing those issues;

~~(i)(m)(L)~~ analyzing the school district structure that currently exists and determining if reducing the number of districts could provide efficiency in the operations of the districts and make existing resources available for classroom activities; AND

~~(j)(n)~~ determining ways to provide more accountability in Montana's educational system; and

~~(k)(o)~~ determining ways to accomplish territorial transfers between school districts.; AND

~~(p)(M)~~ DETERMINING IF THE EXISTENCE OF 25 BUDGETED AND NONBUDGETED FUNDS UNREASONABLY RESTRICTS LOCAL DECISIONMAKERS.

(2) The governor, after consultation with the superintendent of public instruction, shall prepare and submit a preliminary report by ~~April 1, 2002~~ DECEMBER 31, 2001, on the findings and recommendations of the study to the ~~select committee on public school funding established in [section 2]~~ EDUCATION INTERIM COMMITTEE.

(3) (A) THE EDUCATION INTERIM COMMITTEE SHALL:

~~(A) HOLD HEARINGS AND TAKE PUBLIC COMMENT ON THE PRELIMINARY REPORT PREPARED AND SUBMITTED BY THE GOVERNOR. THE HEARINGS MUST~~ MAY BE HELD AT VARIOUS LOCATIONS AROUND THE STATE TO FACILITATE PUBLIC COMMENT ON THE GOVERNOR'S REPORT.

(B) BY AUGUST 1, 2002, THE EDUCATION INTERIM COMMITTEE SHALL PROVIDE TO THE GOVERNOR FOR THE GOVERNOR'S CONSIDERATION A SUMMARY OF THE HEARINGS AND RECOMMENDATIONS FOR CHANGES TO THE REPORT.

(C) THE EDUCATION INTERIM COMMITTEE MAY MAKE ANY OTHER RECOMMENDATIONS ON SCHOOL FUNDING THAT THE COMMITTEE CONSIDERS APPROPRIATE. THE EDUCATION INTERIM COMMITTEE SHALL SUBMIT ITS RECOMMENDATIONS AND, IF APPROPRIATE, PREPARE LEGISLATION FOR CONSIDERATION BY THE 2003 LEGISLATURE.

~~(3)(4)~~ Upon receipt of the summary and recommendations from the ~~select~~ EDUCATION INTERIM committee, the governor shall issue a final report and, if appropriate, prepare legislation for consideration by the 2003 legislature.

~~(4)(5)~~ The governor shall also, after consulting with the superintendent of public instruction, the board of public education, and other sources as the governor may consider appropriate, provide recommendations and, if appropriate, prepare legislation for consideration by the 2003 legislature for the adoption of possible criterion-based testing instruments and procedures to allow school districts and the public to evaluate the knowledge of Montana students in math, science, and reading.

~~(5)(6)(5)~~ The governor may:

(a) appoint one or more advisory councils pursuant to 2-15-122 to assist in conducting the study;

(b) coordinate with any other legislative interim committee, as appropriate;

(c) request assistance from other legislative and executive branch agencies; and

(d) in addition to any legislative appropriation, accept donations for purposes of the study required in this section.

~~NEW SECTION. Section 2. Select committee on public school funding -- duties. (1) There is a select committee on public school funding composed of eight members.~~

~~(2) The members must include:~~

~~(a) four members from the senate, not more than two of whom may be from one political party, appointed by the committee on committees; and~~

~~(b) four members from the house of representatives, not more than two of whom may be from one political party, appointed by the speaker of the house.~~

~~(3) The names of the committee members must be certified to the legislative services division by July 1, 2001.~~

~~(4) The committee is attached to the legislative services division for administrative and staff purposes.~~

~~(5) The committee shall:~~

~~(a) hold hearings on the preliminary report prepared and submitted by the governor. The hearings must be held at various locations around the state to facilitate public comment on the governor's report.~~

~~(b) by August 1, 2002, provide a summary of the hearings and recommendations for changes to the report to the governor for the governor's consideration.~~

~~(6) Legislators serving on the committee must be reimbursed and compensated, as provided for in 5-2-302, for actual and necessary expenses incurred in attending meetings or conducting committee business.~~

NEW SECTION. Section 2. Appropriations. (1) There is appropriated \$10,000 from the general fund to the governor's office SUPERINTENDENT OF PUBLIC INSTRUCTION for the biennium beginning July 1, 2001, to conduct the study provided for in [section 1].

(2) There is appropriated \$10,000 from the general fund to the legislative services division for the biennium beginning July 1, 2001, for the expenses of the ~~select committee on public school funding~~ EDUCATION INTERIM COMMITTEE.

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5 NEW SECTION. **Section 3. Effective date.** [This act] is effective on passage and approval.

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